**GOVERNMENT OF ANDHRA PRADESH**
**ABSTRACT**

TOURISM – Selection of Agency/Agencies for Operation and Maintenance of 22 APTDC's Hotels and Resorts under six (6) clusters in the State through the Request For Proposal (RFP) Document – Permission to the VC&MD, APTDC - Accorded - Orders – Issued.

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**YOUTH ADVANCEMENT, TOURISM AND CULTURE(T) DEPARTMENT**

**G.O.MS.No. 23** **Dated: 07-08-2025**

**Read:**

From the VC&MD, APTDC, Vijayawada, e.File No.APTDC-21033(33)/ 40/2025-PPP SEC-APTDC (C.No.2900483) received on Dt:14.7.2025

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**O R D E R:**

In the reference read above the Vice Chairman & Managing Director, Andhra Pradesh Tourism Development Corporation Limited (APTDC), has stated that the Government of Andhra Pradesh prioritizes the tourism sector, with the forward-thinking, designed the Andhra Pradesh Tourism Policy 2024-29, to position Tourism as a key driver of employment and a crucial catalyst for economic growth. The APTDC owns and operates 22 Haritha Hotels and Resorts across the State. In order to enhance service quality, operational efficiency and financial sustainability, the APTDC proposes to engage private Operation & Maintenance (O&M) Operators for the 22 properties which are strategically divided into six (6) clusters based on geographical proximity, administrative convenience, strengthen management oversight and a balanced mix of profitable and non-profitable properties. This would ensure that the properties are maintained better and properly resulting in higher tourist arrivals and the revenue accrual to APTDC will also improve. This is in line with the practice adopted by Ministry of Tourism, Government of India and other States like Kerala, UP, Orissa, Telangana etc. Even in Andhra Pradesh, a few properties have been given earlier on O&M. The RFP outlines a 33-year lease model with performance-linked revenue sharing, ensuring payment either (i) Percentage of Annual Gross Revenue (AGR) offered over and above the IBM Value i.e., 12% or (ii) the Minimum Assured Annual Lease Rent (MAALR) fixed by the department, whichever is higher.

2. The Vice Chairman & Managing Director, Andhra Pradesh Tourism Development Corporation Limited (APTDC), has requested the Government to approve the Request for Proposal (RFP) document for selection of Agency for Operation and Maintenance of 22 APTDC's Hotels and Resorts under six (6) clusters to ensure objective of making these properties profitable therein. The VC&MD, APTDC has further stated that approval of RFP is sought for six clusters for 22 properties under O&M mode and the APTDC Limited would select an Agency for each cluster for Operation and Maintenance of APTDC's Hotel/Resort Facilities. The details of the hotels/resorts listed in six clusters are as follows: -

(Contd..2)

| S. No. | Cluster-I | No. of Rooms |
|---|---|---|
| 1 | Haritha Hotel of Yatrinivas at Visakhapatnam | 41 |
| 2 | Haritha Beach Resort, Kalingapatnam | 4 |
| | | 45 |
| | **Cluster -II** | |
| 1 | Haritha Hotel at Dwaraka Tirumala, Eluru District | 18 |
| 2 | Haritha Coconut Resort at Dindi | 32 |
| | | 50 |
| | **Cluster -III** | |
| 1 | Haritha Hotel at Suryalanka | 39 |
| 2 | Haritha Hotel at Berm Park, Vijayawada | 30 |
| 3 | Haritha Hotel at Bhavani Island, Vijayawada | 45 |
| 4 | Haritha Hotel, Vijayapuri South, N.Sagar | 19 |
| 5 | Haritha Hotel, Ettipotala | 8 |
| 6 | Dhyana Buddha | 0 |
| | | 141 |
| | **Cluster-IV** | |
| 1 | Haritha Hotel, Nellore | 54 |
| 2 | Haritha Hotel, Srikalahasti | 25 |
| | | 79 |
| | **Cluster- V** | |
| 1 | Haritha Hotel, Gandikota | 10 |
| 2 | Haritha Hotel, Gandi | 10 |
| 3 | Haritha Hotel, Kadapa | 51 |
| 4 | Haritha Hotel, Ontimitta | 4 |
| | | 75 |
| | **Cluster -VI** | |
| 1 | Haritha Hotel, Kurnool | 28 |
| 2 | Haritha Hotel, Orvakallu | 20 |
| 3 | Haritha Hotel, Mahanandi | 28 |
| 4 | Haritha Hotel, Ahobilam | 38 |
| 5 | Haritha Hotel, Lepakshi | 8 |
| 6 | Haritha Resort, Srisailam | 100 |
| | Total | 222 |

3. The Vice Chairman & Managing Director, Andhra Pradesh Tourism Development Corporation Limited (APTDC), has also requested the Government to permit to make small changes in the RFP, based on the response received from the Stakeholder in the Pre-bid meeting. Further stated that the selected Agency/Agencies will be responsible for upgrading, operating and maintaining the properties, submitting quarterly reports and complying with statutory norms. Engaging private operators will improve hospitality standards, increase tourist

(Contd…3)

satisfaction and generate higher revenues. The model ensures risk-sharing, accountability and long-term sustainability of tourism assets. It aligns with the Tourism Policy 2024–29 objectives of promoting investment, employment and regional development. It is a Revenue-generating model with Minimum Assured Annual Lease Rent (MAALR) or Annual Gross Revenue (AGR) share, whichever is higher. The RFP ensures optimal utilization of tourism infrastructure and aligns with the State's vision for tourism-led growth. Not only the property infrastructure is utilized but also by on- boarding reputed branded agencies will give boost to the tourist in the State.

4. Government after careful examination of the matter, hereby approve the Request For Proposal (RFP) Document furnished through the reference read above and accorded permission to the VC&MD, APTDC Limited, to float the RFP for selection of Agency/Agencies for Operation and Maintenance of 22 APTDC's Hotels and Resorts under six (6) clusters. The Vice Chairman & Managing Director, Andhra Pradesh Tourism Development Corporation Limited (APTDC) is also permitted to make small changes in the RFP, based on the response received from the Stakeholder in the pre-bid meeting. However, the Vice Chairman & Managing Director, Andhra Pradesh Tourism Development Corporation Limited (APTDC) shall ensure that the well-established Developers are selected in the matter.

5. The Vice Chairman & Managing Director, AP Tourism Development Corporation Limited, Vijayawada shall take further necessary action in the matter, Accordingly.

6. This order issues with the concurrence of Finance Department vide U.O.No.FMU0PC(GAD-2)/43/2025(C.No.2909358), dated 4.8.2025.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**AJAY JAIN**
**SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To
The Vice Chairman & Managing Director, APTDC Limited, Vijayawada.
The Chief Executive Officer, Andhra Pradesh Tourism Authority, Vijayawada.
**Copy to:**
The Accountant General (A&E), Vijayawada, Andhra Pradesh.
The Director of Treasuries & Accounts, Mangalagiri, Andhra Pradesh.
The Additional Secretary to CM.
The OSD to Hon'ble Minister for TCC.
The PS to Spl.CS (YAT&C).
The G.A (Cabinet) Dept
The Finance (FMU.GAD.2) Dept.,
Sc/Sf (C.No.2901620)

**// FORWARDED :: BY ORDER//**

**SECTION OFFICER**